



## **MINUTES OF JUNE 21, 2022**

### **SPECIAL MEETING OF THE COVINA CITY COUNCIL/SUCCESSOR AGENCY TO THE COVINA REDEVELOPMENT AGENCY/COVINA PUBLIC FINANCING AUTHORITY/COVINA HOUSING AUTHORITY and FINANCE ADVISORY COMMISSION HELD IN THE COUNCIL CHAMBER OF CITY HALL, 125 EAST COLLEGE STREET, COVINA, CALIFORNIA AND VIRTUALLY VIA ZOOM**

*This meeting was conducted in accordance with Assembly Bill 361, regarding the COVID-19 pandemic.*

#### **CALL TO ORDER/ROLL CALL**

Mayor Cortez called the Council/Agency/Authority meeting to order at 6:31 p.m. with all councilmembers present.

#### **CALL TO ORDER**

#### **ROLL CALL**

**Councilmember Present:** John C. King, Victor Linares, Jorge A. Marquez, Mayor Pro Tem/Vice-Chair Walter Allen, III, and Mayor/Chair Patricia Cortez

**Commissioners Present:** Claudia Casasola; Geoff Cobbett, Andrew McIntyre, Tom Melendrez, Lynda Noriega, Kevin Stapleton, Vice-Chair Rich Jett, Chair Kay Manning

**Commissioners Absent:** Janet Salmon, Salvador Flores-Chatfield

**Elected Members Present:** City Clerk Mary Lou Walczak, City Treasurer Geoffrey Cobbett

**Elected Members Absent:** None.

**Staff Members Present:** City Manager Chris Marcarello, City Attorney Candice K. Lee, Administrative Services Director Anita Agramonte, Human Resources Manager Suzanne Stone.

**PUBLIC COMMENTS** – None.

#### **COUNCIL/AGENCY/AUTHORITY/FINANCE ADVISORY COMMISSION COMMENTS**

Mayor Cortez welcomed the Finance Advisory Commission members and thanked them for their participation. She then asked if there were any comments from Council or Advisory Commission members.

Mayor Pro Tem Allen also thanked the Finance Advisory Commission for the great work they do for the community.

## **NEW BUSINESS**

### **NB 1. Enhanced Infrastructure Financing District (EIFD)**

Mayor Cortez asked City Manager Marcarello to provide an overview of the item being considered.

City Manager Marcarello indicated that the presentation this evening would be on the concept of an Enhanced Infrastructure Financing District (EIFD), which opens up opportunities for achieving capital improvement projects that might otherwise be unattainable. He added that it is important to remember that this is a planning session and would not include any type of taxation which will be covered in more detail by the presenters.

Community Development Director Lee reported that about 1-1/2 years ago, Covina applied for a grant from SCAG to finance an effort to create an EIFD and, pursuant to the award of that grant, Kosmont Companies was hired as the lead consultant to help us through this effort. He added that Joseph Dieguez would be making the presentation and that this is the first public rollout of this effort.

Mr. Dieguez, Senior Vice President Kosmont Companies introduced Felicia Williams, Senior Vice President and Laura Santos with the Sierra Group (an outreach partner).

Mr. Dieguez presented information regarding the Enhanced Infrastructure Financing District (EIFD). A slide presentation was provided with detailed information regarding the proposed EIFD, an overview of the EIFD/TIF funding analysis, potential targeted improvement areas, and the types of projects eligible for funding. Return on investment and the differences between EIFD and former RDA requirements were also discussed.

In addition, Mr. Dieguez also discussed why public agencies are authorizing EIFDs; return on investment and tax increment from other entities, i.e. special districts – thereby increasing ability to receive grants. He also presented revenue and bonding capacity scenarios. Boundary overview was discussed as well as basic steps to evaluation and implementation.

Mr. Dieguez turned over the presentation to Ms. Williams.

Ms. Williams indicated that a lot of the work she does is the partnerships with L.A. County. When cities partner with the county they receive tax increments. She also provided information regarding how EIFDs work better with City/County partnerships to receive grants. A sample of LA County EIFD/CRIA Participation Policy was also presented as well as an outline of a public involvement plan.

Mr. Dieguez continued the presentation by providing information on next steps as follows:

1) Receive and incorporate feedback from CC/FAC; 2) Continue and refine technical analysis; 3) Identification of types of projects which can be funded; 4) Study and outreach through December 2022; 5) Implementation/formation from end of 2022 through June 2023, including additional public meetings and hearings (with the first action being City Council adoption of a Resolution of Intent).

Mayor Cortez asked if there were questions from Council or Finance Committee members.

Questions and concerns followed regarding what would happen if a recession hit. There were also questions regarding how many cities are partnering with the county and how many are on their own.

Mr. Dieguez responded to the recession concern indicating that if values do not grow then no dollars are contributed. Either way the revenues are only what is beyond today's baseline. In response to the partnering question, he indicated that there are 17 fully formed EIFDs without county partnerships and 4 city/county partnerships.

Mayor Cortez indicated there were no public comment cards and asked if there were any requests to speak on Zoom. There were none.

Councilmember King left the meeting at 7:20 p.m.

Councilmembers and Commissioners were happy with the potential this program could provide for the city. In addition, concerns were expressed regarding possible restrictions on use of funds if Covina chose to partner with the county, and the desire to maintain local control.

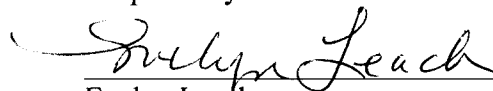
Mayor Cortez stated she appreciated the presentation and feedback from Council and FAC. She added that she needs to look at pros and cons of the program and would like to reach out to the City of La Verne to see how their program has gone. She asked City Manager Marcarello if any action was required.

City Manager Marcarello indicated that the next step would be to receive Council direction and public input.

### **ADJOURNMENT**

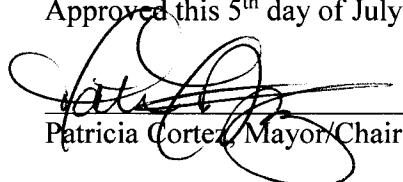
At 7:30 p.m., the Covina City Council/Successor Agency to the Covina Redevelopment Agency/Covina Public Financing Authority/Covina Housing Authority was adjourned to its next regular meeting of the Council/Agency/Authority scheduled for **Tuesday, June 21, 2022**, at 7:30 p.m. for open session inside the Council Chamber at City Hall, located at 125 East College Street, Covina, California, 91723.

Respectfully Submitted:



Evelyn Leach  
Interim Chief Deputy City Clerk

Approved this 5<sup>th</sup> day of July, 2022:

  
Patricia Cortez, Mayor/Chair